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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Asian Energy Services Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of **Asian Energy Services Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint ventures (refer Annexure 1 for the list of subsidiaries and joint ventures included in the Statement) for the quarter ended **30 June 2023**, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.



4. With respect to the matters stated in Note 4(a) and Note 4(b) to the accompanying Statement, following qualifications have been included in the review report dated 26 July 2023 on the interim financial statements of Asian Oilfield & Energy Services DMCC ('ADMCC'), a wholly owned subsidiary of the Holding Company, reviewed by an independent firm registered in Dubai, United Arab Emirates and reproduced by us as under:

- a) "The Company's only customer M/s Amni International Petroleum Development OML 52 Company Limited had issued a notice of suspension of the contract (suspension notice) on 16 November 2020. Against the said suspension notice, the Company had issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated 3 August 2021 (termination notice) to terminate the contract with immediate effect. Subsequently, the Company had issued notice of suspension of termination till 31 August 2021 vide notice no. 2021-AOS-AMN-P002-0018 dated 7 August 2021 to amicably solve the matter. Such suspension of termination, after multiple extensions had been extended only till 31 May 2022. Therefore, the suspension of termination period had expired on 31 May 2022. The Company has issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated 8 June 2022 to the customer and in turn, the customer has issued acknowledgment letter to accept the termination of contract vide notice no. GMD-A52-AOS-0622-LET-20001 dated 10 June 2022 with immediate effect. Accounts receivable USD 2,075,968/- remains unconfirmed as on reporting date. However management has represented that same are recoverable & reserve for impairment of accounts receivable of USD 500,000/- is sufficient to cover for the doubtful debts, if any."

Our audit report dated 24 May 2023 on the consolidated financial results for the year ended 31 March 2023 and our review report dated 10 August 2022 on the consolidated financial result for the quarter ended 30 June 2022, were also qualified in respect of this matter.

- b) "Property, plant & equipment lying in Nigeria, of carrying value USD 702,739/- are stated at cost has not been physically verified and has not been tested for impairment."

Our audit report dated 24 May 2023 on the consolidated financial results for the year ended 31 March 2023 and our review report dated 10 August 2022 on the consolidated financial result for the quarter ended 30 June 2022, were also qualified in respect of this matter.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, except for the possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. We did not review the interim financial information/ interim financial results of five (5) subsidiaries included in the Statement whose interim financial information/ interim financial results (before eliminating inter-company transactions) reflects total revenues of INR 2.28 lakhs, total net loss after tax of INR 121.54 lakhs and total comprehensive loss of INR 121.54 lakhs, for the quarter ended 30 June 2023, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of INR 32.24 lakhs and total comprehensive income of INR 32.24 lakhs, for the quarter ended 30 June 2023, as considered in the Statement, in respect of two (2) joint ventures, whose interim financial information/ interim financial results have not been reviewed by us. These interim financial information/ interim financial results have been reviewed by the other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, three (3) subsidiaries are located outside India, whose interim financial information/ interim financial results have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by the other auditors under the standard on review engagement applicable in their respective countries. The Holding Company's management has converted the interim financial information/ interim financial results of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

Rakesh R. Agarwal

Partner

Membership No. 109632

UDIN: 23019632BGXECY2298

Place: Mumbai

Date: 07 August 2023

Annexure 1

List of subsidiaries included in the Statement:

1. Asian Oilfield & Energy Services DMCC
2. AOSL Petroleum Pte Ltd
3. AOSL Energy Services Limited
4. Optimum Oil & Gas Private Limited
5. Cure Multitrade Private Limited (from 03 October 2022)
6. Ivorene Oil Services Nigeria Limited (from 03 October 2022)

List of joint ventures included in the Statement:

1. Zuberi – Asian Joint Venture (from 04 May 2022)
2. AESL FFIL Joint Venture (from 20 October 2022)





ASIAN ENERGY SERVICES LIMITED
Regd. Office: 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai - 400022, Maharashtra, India
CIN: L23200MH1992PLC318353

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2023

Sr. No.	Particulars	(INR in lakhs unless otherwise stated)			
		30 June 2023 (Unaudited)	Quarter ended 31 March 2023 (Refer Note 5)	30 June 2022 (Unaudited)	Year ended 31 March 2023 (Audited)
1	Income				
	(a) Revenue from operations	4,601.99	2,868.98	2,743.86	10,995.14
	(b) Other income	273.77	158.45	109.05	409.69
	Total income (a+b)	4,875.76	3,027.43	2,852.91	11,404.83
2	Expenses				
	(a) Project related expenses	3,642.46	2,172.33	2,047.34	8,122.17
	(b) Employee benefits expense	722.23	565.91	707.09	2,859.33
	(c) Finance costs	43.56	41.08	22.73	246.36
	(d) Depreciation and amortisation expense	429.10	461.42	597.20	2,197.04
	(e) Other expenses (Refer note 8)	372.27	454.71	523.16	1,890.63
	Total expenses (a+b+c+d+e)	5,209.62	3,695.45	3,897.52	15,315.53
3	Profit/ (loss) before share of profit/ (loss) of joint ventures, exceptional item and tax (1-2)	(333.84)	(668.02)	(1,044.61)	(3,910.70)
4	Share of profit/ (loss) from joint ventures	32.24	(1.51)	(0.66)	61.10
5	Profit/ (loss) before exceptional item and tax (3+4)	(301.60)	(669.53)	(1,045.27)	(3,849.60)
6	Exceptional item - loss (Refer note 9)	-	-	-	(606.85)
7	Profit/ (loss) before tax (5+6)	(301.60)	(669.53)	(1,045.27)	(4,456.45)
8	Tax expense				
	(a) Current tax	1.87	-	-	4.69
	(b) Deferred tax charge/ (credit)	-	-	(199.49)	(16.92)
	Total tax expense/ (credit) (a+b)	1.87	-	(199.49)	(12.23)
9	Net profit/ (loss) after tax for the period (7-8)	(303.47)	(669.53)	(845.78)	(4,444.22)
10	Other comprehensive income				
	(a) Items not to be reclassified subsequently to profit or loss (net of tax):				
	- Gain/ (loss) on fair value of defined benefit plans	14.94	84.34	(8.20)	59.74
	- Changes in fair value of investments through other comprehensive income	-	-	10.01	23.42
	(b) Items to be reclassified subsequently to profit or loss (net of tax):				
	- Exchange differences on translation of financial results of foreign operations	135.19	(17.34)	105.16	118.30
	Total other comprehensive income for the period, net of tax (a+b)	150.13	67.00	106.97	201.46
11	Total comprehensive income/ (loss) for the period, net of tax (9+10)	(153.34)	(602.53)	(738.81)	(4,242.76)
	Net profit/ (loss) after tax for the period attributable to:				
	Owners of the Holding Company	(304.17)	(654.67)	(845.78)	(4,435.70)
	Non-controlling interest	0.70	(14.86)	-	(8.52)
	Other comprehensive income/ (loss) for the period attributable to:				
	Owners of the Holding Company	150.13	67.00	106.97	201.46
	Non-controlling interest	-	-	-	-
	Total comprehensive income/ (loss) for the period attributable to:				
	Owners of the Holding Company	(154.04)	(587.67)	(738.81)	(4,234.24)
	Non-controlling interest	0.70	(14.86)	-	(8.52)
12	Paid up equity share capital (Face value of INR 10 each)	3,769.37	3,769.37	3,769.37	3,769.37
13	Other equity				16,175.88
14	Earnings/ (loss) per share (Face value of INR 10 each)^				
	(a) Basic (in INR)	(0.81)	(1.74)	(2.24)	(11.77)
	(b) Diluted (in INR)	(0.81)	(1.74)	(2.24)	(11.77)
	(^ Quarterly figures are not annualised)				
	See accompanying notes to the consolidated unaudited financial results.				



22 May

NOTE 1:

CONSOLIDATED STATEMENT OF UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30 JUNE 2023

Sr. No.	Particulars	Quarter ended			(INR in lakhs)
		30 June 2023	31 March 2023 (Refer note 5)	30 June 2022	Year ended 31 March 2023
1	Segment Revenue				
a)	Oil and gas	2,348.57	1,518.18	1,929.07	6,322.12
b)	Mineral and other energy sectors	2,253.42	1,350.80	814.79	4,673.02
	Total segment revenue from operations	4,601.99	2,868.98	2,743.86	10,995.14
2	Segment Results				
a)	Oil and gas	151.57	30.30	(88.05)	(29.52)
b)	Mineral and other energy sectors	234.29	227.72	160.98	672.70
	Total segment results	385.86	258.02	72.93	643.18
Less:-	Depreciation and amortisation expenses	429.10	461.42	597.20	2,197.04
Add:-	Other income	273.77	158.45	109.05	409.69
Less:-	Finance costs	43.56	41.08	22.73	246.36
Less:-	Other unallocable expenses	520.81	581.99	606.66	2,520.17
	Profit/(loss) before share of profit/ (loss) of joint ventures, exceptional item and tax	(333.84)	(668.02)	(1,044.61)	(3,910.70)
Add:-	Share of profit/(loss) from joint ventures	32.24	(1.51)	(0.66)	61.10
Less:-	Exceptional item (Refer note 9)	-	-	-	(606.85)
	Profit/(loss) before tax	(301.60)	(669.53)	(1,045.27)	(4,456.45)

I) The Group is primarily engaged into the business of providing services in energy sector. The main segments of the Group are:

- (a) Oil & gas - consists of services provided to customers having their presence in oil and gas sector.
- (b) Mineral & other energy sectors - consists of services provided to customers having their presence in coal, power and other energy sectors.

II) The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to assets and liabilities have not been furnished.

III) Segment results represents the profit/(loss) before depreciation and amortisation, finance costs and tax expense earned by each segment without allocation of other income and unallocable expenses.

IV) Employee benefit expenses and other expenses that cannot be allocated between segments are shown as other unallocable expenses.



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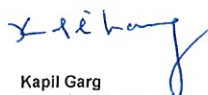
Notes:

- 2 The above consolidated unaudited financial results (the 'results') for the quarter ended 30 June 2023 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 07 August 2023. The statutory auditors have carried out a limited review of the above results.
- 3 The above consolidated unaudited financial results includes the financial results of the Holding Company, its subsidiaries viz. Asian Oilfield & Energy Services DMCC ('ADMCC'); AOSL Petroleum Pte. Limited ('APPL'); AOSL Energy Services Limited ('AESL'); Optimum Oil & Gas Private Limited ('OOGPL'); Cure Multitrade Private Limited ('CMPL'); Ivorene Oil Services Nigeria Limited ('IOSNL') (together referred to as 'Group') and its joint ventures namely Zuberi - Asian Joint Venture and AESL FFIL Joint Venture. ADMCC, APPL and IOSNL are located outside India, whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial results of ADMCC, APPL and IOSNL from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.
- 4(a) ADMCC's customer 'Amni International Petroleum Development OML 52 Company Limited' (AMNI) had issued notice of suspension of work effective 16 November 2020, on account of certain technical challenges faced by AMNI. Accordingly, the suspension had temporarily ceased all the work under the contract from the aforesaid date. Against the said notice from AMNI, ADMCC issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated 3 August 2021 to terminate the contract with immediate effect based on contractual terms. Subsequently, without prejudice, to amicably resolve the matter, ADMCC issued notice to AMNI regarding suspension of the termination till 31 August 2021 (moratorium period) vide notice no. 2021-AOS-AMN-P002-0018 dated 7 August 2021. Such suspension of termination, after multiple extensions was extended till 31 May 2022. ADMCC issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated 08 June 2022 to AMNI and in turn, AMNI issued acknowledgment letter to accept the termination of contract vide notice no. GMD-A52-AOS-0622-LET-20001 dated 10 June 2022 with immediate effect. During the quarter ended 30 June 2023, novation with one of the vendor and customer of ADMCC has also been completed. Trade receivables (net of impairment allowance of USD 500,000) as at 30 June 2023 includes INR 1,292.97 lakhs (USD 1,575,968) receivable from AMNI. Based on the facts mentioned above, current stage of discussion with AMNI and considering the contractual right to receive the outstanding amount, Management is confident of recovery of these receivables and accordingly believes that no further adjustments are required in consolidated financial results.
- 4(b) There are certain items in the property, plant and equipment of ADMCC lying in Nigeria with a carrying value of INR 576.55 lakhs (USD 702,739) whose physical verification could not be carried out owing to the certain challenges faced. Management is confident of the existence and recoverable value of these assets and accordingly believes that no adjustments are required in consolidated financial results.
- 5 Figures for the quarter ended 31 March 2023 are the balancing figures between the audited figures for the full financial year ended 31 March 2023 and published year to date figures upto the nine months period ended 31 December 2022, which were subjected to limited review by the statutory auditors.
- 6 The consolidated results and standalone results for the quarter ended 30 June 2023 and statutory auditors review report thereon are available on the Holding Company's website - www.asianenergy.com.
- 7 The Board of Directors, on the recommendation of Nomination and Remuneration Committee, has appointed Mr. Kapil Garg as the Managing Director of the Holding Company for a period of three years with effect from 01 June 2023. The shareholders have approved such appointment.
- 8 Other expenses also includes the expenditure incurred towards travel and conveyance, security expenses and legal and professional charges for the projects undertaken by the Group.
- 9 Exceptional item for the year ended 31 March 2023 represents:

Particulars	Amount (INR in lakhs)
Impairment of trade receivables on account of termination of contract with a customer	392.80
Impairment of unbilled work in progress (contract assets) on account of termination of contract with a customer	59.83
Impairment of advances to suppliers	154.22
Total	606.85

- 10 Effective 30 June 2023, the Holding Company has acquired 50% Participating Interest ('PI') in the Oil & Gas field situated at Indrora, Gujarat (Oilmax Energy Private Limited being the other participant holding balance PI) pursuant to receipt of approval from the Government of India dated 04 July 2023. The Group's share in the operations of such Oil & Gas Field with respect to revenue and cost for a day i.e. 30 June 2023 is not material and accordingly these financial results does not include the impact of such operations.

For Asian Energy Services Limited


Kapil Garg
Managing Director
DIN: 01360843



Place: Mumbai
Date: 07 August 2023

